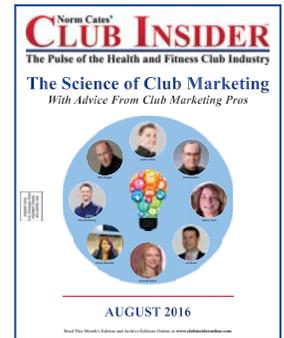
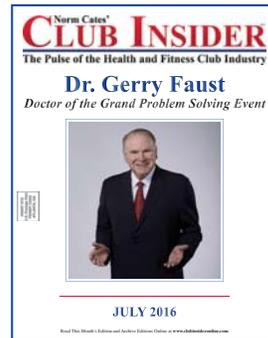
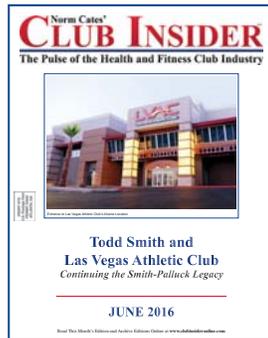
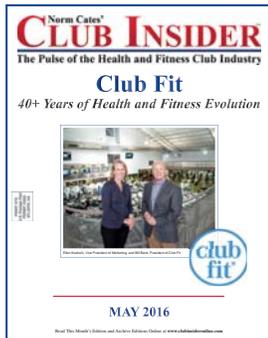
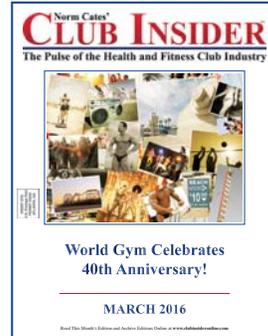
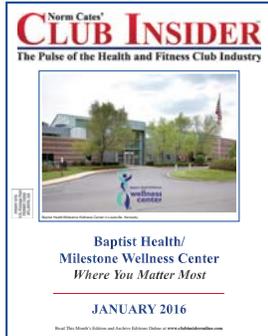
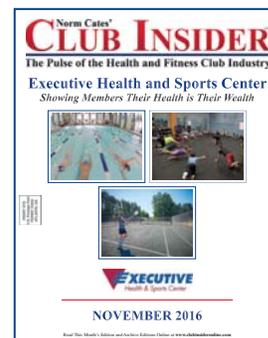
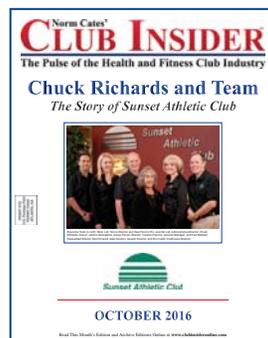


# Norm Cates' CLUB INSIDER™

## The Pulse of the Health and Fitness Club Industry



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# “2016 In Review”

## DECEMBER 2016

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# Norm Cates' CLUB INSIDER™

## The Pulse of the Health and Fitness Club Industry

# “2016 In Review”

By: Justin Cates

Here we go again! Thanksgiving dinner was delicious; college football's bowl season is in full swing; and the holidays are upon us, culminating with ringing in the New Year of 2017. That means it's time for CLUB INSIDER's "2016 In Review." As always, this year, our goal was to bring you informational and inspirational stories of health and fitness club industry knowledge and success with a fresh lineup of cover stories, in-depth best practices articles from our team of Contributing Authors and timely news and thought-provoking insights in Norm's Notes. In 2016, we hope you have enjoyed what you have read and have been able to use this information to better run your health and fitness club business.

Looking forward to 2017, we will celebrate our 25-year, silver anniversary milestone at CLUB INSIDER next November.

We are excited about the implementation of some planned initiatives throughout the year to continue increasing the value of our publication to our Readers, our Authors and our Advertisers. We are honored to have you with us. With our **Mission**, "To help the owners and operators of health, racquet and sports club professionalize their clubs and gain the trust and business of their community," we plan to continue to be *The Pulse of the Health and Fitness Club Industry*. Thank you for reading CLUB INSIDER.

### A Summary of Our 2016 Cover Stories

Our **January Edition** featured an interview with **Diane Kelton**, *President of Baptist Health/Milestone Wellness Center*, in Louisville, Kentucky, as well as several fantastic staff members: *Lisa Groft, Maria Bernard, Jeff Howard, Priscilla DeSpain and Chuck Bent*. Baptist

Health/Milestone has been around over 30 years, graduating to a 70,000+ square-foot facility in 2000. In that time, they have learned to create health and fitness success in their members' lives. At Baptist Health/Milestone, "Where You Matter Most," it shows, as they have won the *Best Fitness Club of Louisville Award* three times in a row. I reached out to Diane for an update and received these comments:

*"2016 has brought more and more competition, particularly in the increase of boutique facilities. While there has been increased competition, our membership numbers have continued to remain strong. In 2017, we will focus on our membership sales systems and marketing to ensure growth in our membership numbers. Personal training and our Healthy Solutions weight loss program saw their best years ever, helping many improve their lives through better*



Justin Cates, Assistant Publisher of CLUB INSIDER

*health. In 2016, we added 15 new pieces of cardio equipment, a new line of Matrix strength training and replaced our cycling bikes with M3i Keiser bikes. Overall, 2016 (See "2016 In Review" Page 10)*

## Planet Fitness to Rock Times Square Again!



**NEWINGTON, N.H.** - Planet Fitness celebrates its members every day with its Judgement Free Zone and welcoming workout environment, and for 2017, the company is celebrating the New Year again by helping to throw the biggest party on the planet. Along with *Times Square Alliance and Countdown Entertainment*, Planet Fitness will take over New York's Times Square as the exclusive presenting sponsor of the iconic New Year's Eve celebration for the second consecutive year. Approximately one million revelers will ring in a "Judgement Free" New Year with a new and festive New Year's Eve party hat and balloons, both in purple and yellow, the brand's signature colors.

"We are thrilled to sponsor this legendary event and once again join the crowds in New York City and the one billion TV viewers around the globe, including across the country --175 million in the U.S. alone-- as we welcome a New Year with optimism and enthusiasm," said Chris Rondeau, Chief Executive Officer of Planet Fitness. "At Planet Fitness, we believe that working out should be fun, affordable, and most importantly, judgement-free, and our wish for 2017 is to empower and encourage everyone, whether an everyday exerciser or a first-time gym goer, to achieve their goals, whatever they may be."

As the official fitness and  
(See *Planet Fitness* Page 6)



Chris Rondeau, CEO of Planet Fitness

### Inside The Insider

- Are You A Struggling Gym Owner? - **By:** Jim Thomas
- Top 10 Mistakes Gym Owners Make - **By:** Melissa Knowles
- Team Member Motivation and Retention - **By:** Dr. Gerry Faust
- How To Design The Perfect Club Entry - **By:** Bruce Carter
- Do You Have Enough Salespeople to Succeed? - **By:** Karen Woodard-Chavez
- Delivering On Your Brand Promise - **By:** Rob Rush
- PR Strategies to Sell Summer Bodies This Winter - **By:** Nancy Trent
- Report: Less Than One Quarter of U.S. Children Meet Physical Activity Guidelines
- Wellbridge Bringing New Era in Fitness to Clayton, Missouri
- And, of Course, *Norm's Notes*



# Norm's Notes



•Hello Everybody! This is your CLUB INSIDER Publisher and Tribal Leader Since 1993 checking in with our 276th monthly edition of CLUB INSIDER!

•Is America a great country, or what!?!? Hmm... hmm... hmm!!! Thank God the election is over, and we can all get back to focusing on making your clubs as great as possible and more successful at helping your members live healthier, happier and more productive lives!

•Merry Christmas and a Happy, Healthy New Year to you, your family and club teams! If you're not of a Christian persuasion, then Happy Holidays and a Happy, Healthy New Year!

•Sincere condolences to PAUL BOSLEY, our friend and CLUB INSIDER Contributing Author and Advertiser, as he lost his beloved Mom, JOAN BOSLEY, this month. May JOAN BOSLEY Rest In Peace.

•JUSTIN CATES, 31, my son, and business partner in CLUB INSIDER, deserves high praise and accolades for the amazingly excellent job he has done this year, and really, in all years past since he started working for CLUB INSIDER at age 8. CONGRATULATIONS and THANK YOU, JUSTIN for your dedication, hard work and very determined focus on excellence! Get this, folks... not only has Justin produced ten of

our cover stories this year, he has done all of the page layout work, all of the website work, kept up with our mailing records, has done our accounting and tax preparation, produced monthly invoices and assisted with collections of both subscriptions and advertising fees... AND, on top of ALL of THIS, last year, he created CLUB INSIDER Weekly and produces that for your online reading 3 - 4 times per month. SO... to say that Justin Cates could very easily be described as a Super Man... I'm going to hold back on saying that because SO FAR, he's not leaped any tall buildings that I know of! And, I'm pleased to tell you all that Justin is the next in line to inherit CLUB INSIDER. But, since I'm just about to turn 71 on January 17th, he's going to have to be patient because I don't plan on kicking the bucket any time soon. In fact, I'm planning on staying at this keyboard writing Norm's Notes and an occasional Cover Story until the good Lord says, "TIMES UP!" Stay tuned, folks!

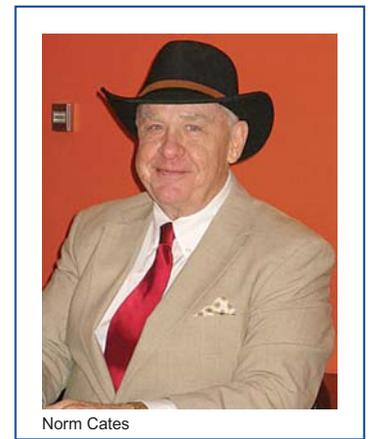
•I'm pleased to mention that our subjects for next month's January Cover Story are LYLE RAY IRWIN, one of my former partners in CourtSouth way back in the late 1970s and early 1980s, and GIN MILLER, one of the top group exercise instructors in America then, and now. The focus of the story will be the New Year's launch of KUSHH™, which is a new padded version of The STEP. A couple of months ago, I went with Ray and his son, JACK, to the LifeTime Fitness

location in Woodstock, Georgia, a suburb of Atlanta to observe a KUSHH™ class taught by Gin. The room was packed with over 50 attendees. To say that the class was awesome would be an understatement! In the January Cover Story, in addition to hearing from Ray and Gin, we'll hear testimonials from a few of those folks who attended the KUSHH™ class that day. So, stay tuned!

•After lots of study and planning, Planet Fitness has announced that they are moving their headquarters from their current location in Newington, New Hampshire to Hampton, New Hampshire. The new digs will be in a 70,000 square-foot building in Hampton, and the new headquarters will feature a 4,000 square-foot fitness center and café. And, I love their new address: 4 Liberty Lane!

Planet Fitness CEO, CHRIS RONDEAU, commented, "As we continue to grow the business and add top-notch talent to our team, our new headquarters is an important investment in our employees and our future, creating an energizing and engaging workplace environment for our valued employees. This new space will also support the tremendous runway for growth that is ahead of us as we empower people around the world to pursue a healthier lifestyle in non-intimidating, judgement-free environment."

Be sure to check out Page #3 where Planet Fitness announces it is sponsoring the big Times Square New



Norm Cates

Year's Eve Celebration in New York City for the second year in a row! Planet Fitness now has more than 8.6 million members across 1,200+ locations in 47 states, the District of Columbia, Puerto Rico, the Dominican Republic and Canada. Congratulations to Chris Rondeau and Team Planet Fitness on all of this exciting news and on the great success they are achieving with the company! Stay Tuned!

•The 1960 Mr. America was RED LERILLE, Founder and Owner of Red's Health and Fitness Club, now simply known as Red's in Lafayette, Louisiana. Red's is about to celebrate their 54th Anniversary on January 13, 2017.

(See Norm's Notes Page 6)

## About Club Insider

# Established in 1993

## 24 Years and Counting!

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## ...Norm's Notes

continued from page 4

After winning the Mr. America title, he opened Red's on January 13, 1963 in a former 4,000 square-foot boot store in Lafayette. Two years later, he moved it to his current location on Doucet Road in Lafayette. Over the years, Red's built that fledgling business, and now, it's over 220,000 square feet on more than 20 acres with around 15,000 members. Revenue at Red's exceeds \$10 million per year. **Congratulations to RED and EMMA LERILLE and their family of four grown children, MARK, KAKI, TINA and STANLEY.**

● I'm trying to learn all I can about the **social media phenomena**, and when I was on **IHRSA's website** the other day, I noticed the post: **7 Steps to Create a Powerful Social Media Strategy for Health Clubs**. So, I thought this list would be helpful to you. **Thanks to IHRSA for this information about how smaller health club companies can develop a strong social media strategy and to KARI BEDGOOD, Vice President of BILL McBRIDE's Active Sports Clubs, for putting it all together.** If used strategically, social media can be an incredibly powerful weapon in your health club's marketing arsenal, if you use it strategically. So, for those **7 Steps**, please see the **Sidebar on This Page**.

● Please give to **AUGIE's QUEST**, and don't miss the **12th Annual AUGIE's QUEST Bash** to be held on **Friday Night, March 10, 2017**. Go to **www.augiesquest.com**, and check out the new **Augie's Quest BASH Ad on Page #29**.

● A Federal judge in Texas has issued an

## ...Planet Fitness

continued from page 3

presenting sponsor of Times Square New Year's Eve, Planet Fitness will have a bi-coastal presence on "*Dick Clark's New Year's Rockin' Eve with Ryan Seacrest 2017*" with integrations in both New York City and Los Angeles. In addition, Planet Fitness will be highlighted during the official Times Square 2017 webcast, which will be live streamed on **TimesSquareNYC.org**, **TimesSquareBall.net**, **NewYearsEve.nyc** and on many other sites as well.

"As the ball drops, we are thrilled to ring in a 'Judgement Free' 2017 with Planet Fitness," said Jeffrey Straus, President of Countdown Entertainment. "Times Square New Year's Eve and Planet Fitness will entertain and inspire millions of revelers from around the world joining us in a global celebration to welcome the New Year with hope and confidence for the future."

"New Year's Eve is a time to reflect on the past year and look to the year ahead, and many people think of personal fitness as part of their resolutions for the

injunction against a **Department of Labor rule on overtime wages** that would make 4.2 million private-sector workers, **many of whom work in the fitness industry**, eligible for additional pay. **Our CLUB INSIDER Contributing Author, the lovely MELISSA KNOWLES of Gym HQ**, has followed this carefully in her monthly **CLUB INSIDER** articles. This is what Melissa wrote when we reached her for comment about this court ruling:

"A delay has been rumored since September and looks to be coming to fruition. Employers are not in the clear from the law change as the change still may be put into effect at a later date. I've advised business owners since May to prepare for December 1st and cross their fingers for a delay. It looks like we all have to wait to see how this unfolds. Hang on to your prep work as it may very well likely be needed in the coming months."

**U.S. District Judge AMOS L. MAZZANT**, represented **21 states and 50+ business groups** when, on November 22nd, he imposed the injunction. The rule would guarantee overtime wages for workers earning less than \$47,892 or \$913 weekly and had been scheduled to go into effect on December 1st, 2016. The Fair Labor Standards Act (FLSA) currently is \$23,660 or \$455 weekly. **Stay Tuned!**

● I would suggest that, if you have not already, **NOW** is the time for you all to check in with our **friend JENNIFER URMSTON of Sports & Fitness Insurance** about your club's 2017 insurance needs. Jennifer will provide you with excellent and timely service, and insurance-wise, your club will be in safe hands. Check out Jennifer's **Sports & Fitness Insurance Ad on Page #21**.

(See Norm's Notes Page 7)

New Year, and with that, we look forward to celebrating alongside our partners at Planet Fitness again this year," said Tim Tompkins, President of the Times Square Alliance.

"We are excited to welcome back Planet Fitness as an official sponsor and broadcast partner for this year's Dick Clark's New Year's Rockin' Eve with Ryan Seacrest 2017, owning the health and fitness category for this incredible show," said Greg Economou, Executive Vice President & Chief Revenue Officer for Dick Clark Productions. "Through their exciting and robust platform, Planet Fitness will surely inspire countless people as we ring in the New Year with a message of positivity, health and fitness for 2017."

The bi-coastal celebration of "Dick Clark's New Year's Rockin' Eve with Ryan Seacrest 2017" will include special performances and reports on New Year's Eve celebrations from around the globe. America's biggest celebration of the year will broadcast live from Times Square on Saturday, December 31 beginning at 8PM ET/PT on ABC.

## 7 Steps to Create a Powerful Social Media Strategy

By: Kari Bedgood, Vice President, Active Sports Clubs

**1. Engage brand advocates.** Sound difficult? It's not. A study by *Statista* found that 50% of employees post on social media about their place of work, and a third do so without any encouragement from their employer. So, you probably have a ready-made pool of brand advocates on hand. Also, find out what your customers are saying on social media and leverage that, too. According to the *Statista* study, 90% of buyers trust peer recommendations.



**2. Loosen the reins.** Having worked so hard to establish your club's reputation, you might be reluctant to put it in someone else's hands. Still, unless you have time to handle all social media yourself or hire a full-time social media coordinator, you're going to have to trust your employees.

**3. Create a clear social media policy.** Social media posts can do significant harm if not properly regulated. The last thing you want is an employee posting negative comments about the club or its members. Develop a policy for your employee handbook that specifies each site covered by the phrase "social media" (Facebook, Twitter, etc.). Clearly state that your company controls all content on its branded sites and that employees are expected to adhere to company standards in their posts.

**4. Develop a social media calendar.** This is a great way to impose efficiency and consistency on the process. Determine a theme for each day of the week and let it dictate the content of your posts. If you have, say, **Motivation Monday**, you can start each week by posting an inspirational quote. Add each theme to your hashtag library (e.g. #MotivationMonday) to reinforce your brand.

**5. Use video.** With videos easier to make than ever, and with all the great opportunities for video inherent in the health and fitness club industry, there's no reason not to make video part of your social media strategy. Post two videos a month on YouTube, and you'll be amazed at the results.

**6. Look for shareable content.** Monitor the social media activity of those with a connection to the health club industry, such as equipment manufacturers, the fitness media and local sports teams. And, as Bedgood put it, **"Follow your followers."**

**7. Track and analyze your results.** You can measure social media's effectiveness in a number of ways, such as likes, shares, comments and re-tweets. You can also track such variables as the best time of day to post new content (for example, lunchtime is generally pretty popular).

Once you've had a month or two to track the results of your social media strategy, the next step is pure common sense. **Do what works.**

...Norm's Notes

continued from page 6

•In November, at the Athletic Business Show in Orlando, Iron Grip Barbell Company showcased it's newest product the XL Handle Dumbbell. The dumbbell features a substantially thicker handle design, measuring a full 1-3/4 inches in diameter from end to end. The extra-wide handle diameter allows the user to fully engage the muscles in the fingers and hands, increasing grip strength and potentially leading to greater activation of the adjoining muscles in the wrists, forearms, and biceps. See the Iron Grip Ad on Page #17.

•PHIL WENDEL's acac Fitness & Wellness Centers announced the acquisition of a new facility in Germantown, Maryland. The new club is located inside of the Johns Hopkins Health Care and Wellness Center, and acac will begin operations in the facility, which currently operates as Healthtrax, later this month.

•The one and only RICHARD SIMMONS closed his Slimmons Studio in November. In October, Simmons posted this on his Facebook page: "Some of you may have heard that Slimmons will close next month. While it is true, it has been an amazing part of my life to teach, meet and support people from all over the world. I want to thank everyone who has come through those studio doors to laugh, cry and sweat with me! Remember to keep sweatin', keep movin' and most importantly go out and Vote! Love, Richard xo"

•Johnson Health Tech, a fast growing

fitness equipment manufacturers, and producer of the brands Matrix, Vision and Horizon, has acquired The Gym Store, Inc., a San Diego, California-based specialty fitness retailer with eight stores in California branded under the Busy Body name.

•SUICIDE. What a very sad situation for any human being to deal with! I write about the subject of suicide today for two reasons:

1. Experts say that the Holidays are the time of the highest suicide rate during the year.

2. Because our industry has had suicide in its history, including the sad death by suicide of our good friend, SCOTT MANION, formerly of CheckFree, now known as Jonas Fitness. My friend, BARRY BLEUR, and I always think of Scottie this time of year.

So, it's with the hope that this Norm's Note might help you identify someone who's mentally and emotionally showing signs of being suicidal so that you will do what you can to help them through their difficult times. Moreover, I recently received a correspondence from AMY MITCHEL, of the Communications & Strategy Department of The Tragedy Assistance Program (TAP) for Survivors, who wrote:

"For many people, the holidays are a lonely time. This is especially true of our service members and veterans suffering from the mental wounds of war. TAPS, the Tragedy Assistance Program for Survivors, with its partners at the VA, DoD, the National

Action Alliance, DSPO, SAMHSA, Joining Forces and others have produced this special Veteran Suicide Prevention PSA. We hope you will consider putting it in your rotation this holiday season (and keep it running all year) to assure those in need that they are NOT alone. It only takes a few moments to save a veteran's life. We hope you will join us in this campaign. The PSA for television and web, as well as the PSA for radio (plus transcript) can be accessed at bit.ly/clubinsider23. The PSA can be viewed at bit.ly/clubinsider24."

Amy can be reached at (800) 959 - 8277 or amy.mitchell@taps.org.

You can also go to www.taps.org.

•As I write this, today is December 7, 2016, the day which shall remain in infamy, when the United States of America was suddenly and deliberated attacked by the Naval and Air Forces of the Empire of Japan. The Japanese hit us before 8AM on that fateful day with a sneak aerial attack on Pearl Harbor in Hawaii 75 years ago today killing 2,335 young American troops and 68 civilians, which at the time were in ships docked and anchored in the harbor. On the U.S.S Arizona, 1,177 souls perished, the only (See Norm's Notes Page 8)



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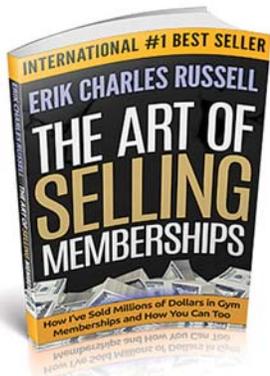
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**...Norm's Notes**

continued from page 7

ship that sunk completely on that fateful day, and now, it's the site of the U.S.S. Arizona Memorial that now draws thousands of visitors every day. That Japanese attack on Pearl Harbor was the largest attack on U.S. soil in modern history, and it was that attack that launched the United States into World War II.

Of course, we all know that, on September 11, 2001, Al-Qaeda attacked America by hijacking four U.S. airliners, crashing two of them into the two World Trade Center Towers, killing 2,606; 125

were killed when one of the airliners was crashed into the Pentagon; and 44 were killed when Flight 93 crashed into a field in Pennsylvania. It's believed that the passengers on Flight 93 attacked their hijackers causing the plane to crash in the field, rather than to have it deliberately crashed into another high rise, potentially killing many more than were on board. Those Flight 93 passengers have been considered heroes ever since because their bravery would not allow the hijackers to crash into any building.

"Why, Norm, are you writing about this in Norm's Notes today?" My answer is simply that I want the history of

our wonderful United States of America to *always* be part of CLUB INSIDER. If you had a Father who lived and fought through World War II, like my Dad did, you understand why our country's history is important to me. It's in memory and honor of those lost at Pearl Harbor that started World War II, then in Vietnam, then those lost during the 9/11 attacks and then in Iraq and Afghanistan, and in my beloved Dad's memory, that I write this. May they all Rest In Peace.

•May John Glenn, America's first Astronaut to orbit Earth, Rest In Peace. *Set your sights high because you never know what you can accomplish.*

•Hooray for MICK JAGGER!!! Congratulations on #8.

•JUSTIN and I want to say Thank You for reading CLUB INSIDER in 2016! Stay tuned in 2017!

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•God bless our troops, airmen and sailors worldwide and keep them safe. Thank you, Congratulations and Welcome Home to all of our troops who've served in Iraq, Afghanistan and around the world. God bless America's Policemen and Women and keep them safe. God bless you, your family and your club(s). God Bless America!

*(Norm Cates, Jr. is a 40+ year veteran of the health, racquet and sportsclub industry. Cates is the Founder and Publisher of CLUB INSIDER, now in its 24th year of publication. Cates was IHRSA's First President, and a Co-Founder with Rick Caro and five others, in 1981. In 2001, IHRSA honored Cates with its DALE DIBBLE Distinguished Service Award, one of its highest honors. Cates may be reached by phone at 770-635-7578 or email at [Norm@clubinsideronline.com](mailto:Norm@clubinsideronline.com))*

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**Report: Less Than One Quarter of U.S. Children Meet Physical Activity Guidelines; ACE Offers New Solutions**

SAN DIEGO, CA - More than three quarters of children in the United States are currently not meeting physical activity recommendations, putting them at an increased risk for obesity, diabetes and related chronic illnesses, according to a recent report. The 2016 United States Report Card on Physical Activity for Children and Youth was authored by researchers and health experts from organizations across the country that were assembled by the National Physical Activity Plan Alliance.

The report shows only 21.6% of children ages 6 - 19 meet U.S. physical activity guidelines. Further, nearly 63% of children are getting more than the two hours of screen time per day, which exceeds current recommended guidelines. Less than 13% of children walk or ride their bike to school, habits that have been associated with lower odds of obesity among children.

"Improving the results of the nation's Report Card on physical activity for children and youth will require a multi-pronged, multi-sectoral approach to create a culture that supports and encourages positive movement experiences for children," said Cedric X. Bryant, Ph.D., Chief Science Officer for American Council on Exercise (ACE). "ACE is proud to sponsor the Report Card and is committed to promoting the three core values of physical literacy for youth: ability, confidence and a desire to be physically active for life."

The World Health Organization and the U.S. Department of Health & Human Services recommend that children and youth engage in a minimum of 60 minutes of moderate-to-vigorous physical activity daily, including vigorous-intensity activity at least three days per week.

Four key recommendations to  
*(See ACE Page 29)*





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## ...“2016 In Review”

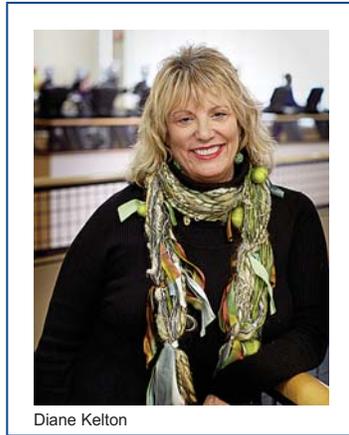
continued from page 3

*proved to be a good year for us, and we hope 2017 will be even better.”*

With our **February Edition**, we headed farther north to **HealthQuest** in Hunterdon, New Jersey. Their 105,000 square-foot facility is among the best, and it is led by *General Manager, Wade Williams*, and supported by *Owner, Jack Cust*. I reached out to Wade for an update and received these comments:

*“2016 has been an exciting year at HealthQuest! We recently launched a USAG Competitive Gymnastics Training Facility, and we are in the final stages of buildout. We are beginning pre-sale of ‘The Garage,’ a Small Group Training space that will include Boot Camps, ‘Learn to Lift,’ Weekend Warrior and Athletic Performance classes. This is an area where we see a tremendous amount of potential, and it’s currently an untapped market at HealthQuest. We have achieved tremendous growth in Personal Training year-over-year (35%), and we continue to maintain a strong Group Fitness offering. Small Group Training has been an area where we have fallen short, so we look forward to capitalizing in 2017 with ‘The Garage!’*

*We continue to take a granular approach to the Member Experience, recently implementing a ‘Member Experience Coach,’ accompanied by the software of Medallia to ensure we are in tune with our members on a daily basis. We continue to hone operational efficiencies and take an aggressive approach in understanding our strengths/weaknesses in order to be better than we were the day before. We are constantly learning and evolving. We are looking forward to hitting the ground running in 2017. 2016 was strong year for the club, but we foresee something great in 2017!”*



Diane Kelton

The feature of our **March Edition** needs no introduction: **World Gym** and the celebration of their 40th Anniversary milestone. Sadly, in 2016, World Gym lost its *Owner and Chairwoman, Joyce J. Cammilleri*, and the Cammilleri family lost a dear member of their family. **May Joyce Cammilleri Rest In Peace**. Joyce’s son, **Guy Cammilleri**, *Managing Director*, has stepped up to head the company. I reached out to Guy for an update and received these comments:

*“World Gym is finishing 2016 stronger than ever before. Over the course of the year, we have signed deals for more than 35 new gyms in the United States, Australia, Brazil, Mexico, Taiwan, Egypt, Russia and our first gym in the United Kingdom. We’ve just debuted World Gym Athletics, a new HIIT certification program that helps gym owners and coaches at any gym, not just World Gym, improve the quality and profitability of their Personal Training and Small Group Training programs, providing their members with best-in-class fitness programming. World Gym Athletics is already deployed at several World Gyms around the United States with spectacular results.*

*In addition, we’ve strengthened*



Wade Williams

*our digital marketing efforts at the corporate and local levels and continued our World Gym Ambassador search for a second year with even more engagement than last year. With have even more exciting developments in the works for early 2017 and are looking forward to continued growth as we evolve the World Gym brand for the modern lover of seriously fun fitness.”*

Our **April Edition** featured the celebration of another anniversary milestone. In this case, our subject was **IHRSA** and the celebration of the Association’s 35th Anniversary. As a *Co-Founder* and the first *President* of IHRSA, our *Publisher, Norm Cates*, has a deep love for the organization that, undoubtedly, has changed our industry for the better. **IHRSA’s 36th Annual Convention and Trade Show**, to be held in Los Angeles, is coming up in March, so if you have not already registered to attend, go to [www.ihrsa.org/convention](http://www.ihrsa.org/convention). And, if you have never attended an IHRSA show, you really are missing out on something special. Give it a try, and you will be hooked forever!

Representing another long-time name in our industry at 40+ years, our **May Edition** took us to Westchester, New York and a pair of clubs called **ClubFit**. Founded by **Beth Beck** and **David Swope**, the company is now run by her son, **Bill Beck**, *President*. Additionally, Bill’s sister, **Ellen Koelsch**, is involved with the management team as *Vice President of Marketing*. Working in a family business most of my life, this story was interesting because it addressed an additional component to the already monstrous task of running a business. I reached out to Bill for an update and received these comments:

*“It is hard to believe we are finishing up 2016. We ended up successfully rolling out new membership promotions to help our communities see value in the whole family having membership at our clubs, and I am happy to say both clubs made their sales goals. Our promotion was join the club with an individual membership and your family gets to use the club for the rest of the year*



Bill Beck

*for free. We have been able to expose many families to the fun of exercising together. In addition, we offered a gift card giveaway for new sales in November. That was also well received, and we are working hard to help members use that gift card money to either make it easier for a friend to join the club or try a new program as part of their new membership.*

*We continue to have success offering complimentary small group classes on our fitness floor and quickly integrating our new members into our club culture by offering a re-vamped new member orientation. Of course, getting to know our new members quickly is critical to helping them create new fitness habits that will help them stay at ClubFit as members for a long time. We wish all the CLUB INSIDER readers a healthy, fun and busy January helping many people improve their health in 2017!”*

Another family in the health and fitness club industry that needs no introduction, our **June Edition** revisited the **Las Vegas Athletic Clubs (LVAC)**, founded by **Rudy and Virginia Smith**. In an interview with **Todd Smith**, *Chairman and CEO*, we discussed LVAC then and now, as well as the legacy that has been created with the great company out west.

Our **July Edition** switched gears with an in-depth 2-part interview with the one and only **Dr. Gerry Faust**. The founding of **CLUB INSIDER** itself was spawned by a brainstorming session during a **Faust Roundtable #1** meeting. In this feature, Dr. Faust delved deep into the management field and the power of interaction in Executive Roundtables. As a club *Owner or Manager*, if you are not part of a roundtable, the idea is very much worth considering. Following the cover story with Dr. Faust, **CLUB INSIDER** has been fortunate enough to have him as a *Contributing Author*. Be sure to see his **Article** this month on **Page #22**.

The **Science of Club Marketing** was the subject of our **August Edition**, and this in-depth article featured some true pros in club marketing, both on the club side (*See “2016 In Review” Page 12*)



(L to R) Marcus, Joyce, Leo and Guy Cammilleri



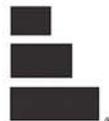
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## ...“2016 In Review”

continued from page 10

and the supply side. Those contributors included: **Derek Barton**, Owner of Barton Productions; **Rich Boggs**, CEO of MOSSA; **Terry Browning**, President of MOSSA; **Nancy Terry**, Senior Vice President of Marketing of Sport&Health; **Jon Butts**, President of Muscle Up Marketing; **Tracey Bourdon**, Marketing Coach at Susan K. Bailey Marketing & Design; and **Daniela Spaid**, Director of Marketing and Public Relations of Fitness Formula Clubs.

Moving back to the club side, the **September Edition** featured **Todd Magazine**, President of **Blink Fitness**. Currently situated throughout New York and New Jersey, Blink has reached 50 company-owned locations and has begun expansion via franchising as well as additional company-owned stores. What makes Blink different in the franchise arena is their aim to be the high-end of the high-volume, low-price (HV/LP) sector. Coupled with the literal scientific selection of color and ambiance to create the right mood for various types of physical activities, Blink is striving to make “Every Body Happy.” I reached out to Todd for an update and received these comments:

“Blink Fitness has been very busy since we last connected in the fall. We are opening our 50th location this month in the Bedford-Stuyvesant neighborhood of Brooklyn, N.Y. This milestone comes just six short years since opening our doors. To celebrate our 50th opening, we’re giving away 50 one-year memberships in a sweepstakes during the month of December.

We’re also excited to start 2017 strong with a new twist on our groundbreaking ‘Every Body Happy’ advertising campaign. We will be featuring dozens of our very own members who submitted to our Casting Call and were selected to join our movement to change the dialogue about fitness. They are happy and confident in all shapes and sizes. Now, more than ever, we’re hoping to spread a message of encouragement and inclusiveness in our clubs. 2017 will also be

a big year for Blink’s franchising initiative. We continue to receive overwhelming interest from across the country and are excited about the opening of our first franchise location.”

To the Northwest for our **October Edition**, we featured **Chuck Richards** and the story of **Sunset Athletic Club**. A former Olympian, Chuck and a partner began the club in 1975. Over the years, they evolved and grew. In 1995, a fire devastated the facility, but this did not stop Chuck. The facility was rebuilt and expanded, and it has continued to flourish. I reached out to Chuck for an update and received these comments:

“The Sunset Athletic Club busy season came in Mid-October rather than waiting until January. There are more members everywhere, especially on the treads and upright bikes. Technology continues to evolve for us with going to a mobile website, some online registration, etc. Wearables seems to be wearing out a bit.

The fitness ecosystem continues to grow by evidence of the 15 or 20 facilities around us. All seem busy as every vacant real estate slot is being filled by new exercise concepts and studios. The fitness industry is on the move up to a higher penetration rate. The overweight/obesity % is approaching 70%, so we need to make headway into that 70%. The new President-Elect Trump has not tweeted about his exercise plan yet. We need to get that on his radar screen!”

Finally, we concluded this year’s impressive cover story lineup the **November’s Edition’s** feature, **Executive Health and Sports Center**. Featuring another father-son team, **Mike, Justin and Josh Benton**, this group has a trio of facilities that address many points on the demand curve and across many disciplines. Mike is no longer full-time with the day-to-day operations of the facilities, leaving that to his sons, but he is working full-time on an exciting platform called **GENAVIX**, which is bridging the gap between our industry and the medical field.

Thank you again to all of our cover story subjects in 2016. Your time

spent interviewing and participating with **CLUB INSIDER** is truly appreciated, not to mention your dedication to this great industry. Thank you. To our readers, stay tuned for more in-depth informational and inspirational cover stories in 2017!

### Thank You All!

Before moving on, we must take a moment to thank those that make it possible for us to publish **CLUB INSIDER** each and every month.

First, we would like to thank you, our readers, for your support. The labor of love called **CLUB INSIDER** always has you in mind, and we hope it shows. We also want to say **Thank You** to our printer, Walton Press, a **fantastic** 116-year old company in Monroe, Georgia for all of the great work they’ve done on all 276 monthly editions of **CLUB INSIDER** since 1993.

Next, we’d like to thank all of our authors this year, as they took time out of their busy schedules to share a great mix of informative articles across a vast array of topics. Beyond our monthly cover stories and news coverage with both press releases and Norm’s Notes, we try to bring Best Practices to you from the trenches. **Our authors this year included: Angie Pattengale, Dr. Art Curtis, Beverly Hosford, Bill McBride, Bruce Carter, Casey Conrad, Daron Allen, Donna Krech, Erik Charles Russell, Dr. Gerry Faust, Helen Durkin, J.D., Jarod Cogswell, Jim Thomas, Joe Moore, John McCarthy, Jon Butts, Karen Woodard-Chavez, Laurie Cingle, Luke St. Onge, Mark Williamson, Mario Bravomalo, Melissa Knowles, Mike Manning, Nancy Trent, Paul Bosley, Paul R. Bedard, Rick Caro, Robin Schuette, Stephen Tharrett, Dr. Steven Weiniger, Thomas Plummer.** Thank you to our **CLUB INSIDER Contributing Author Team**.

And, of course, we’d also like to thank all of the companies that advertised with us this year because we could not have come to you each month without their support. **Our advertisers this year included: Augie’s Quest** (with several ads **CLUB INSIDER** contributed to the cause), **BMC3, Business Finance Depot, Club Industry, Crunch Franchising, Faust**

**Management Corporation, Gym HQ, GymWipes, GymValet, Health Club Experts, iGo Figure, IHRSA, Iron Grip Barbell Company, Jonas Fitness, JLR Associates, LA Fitness, MOSSA, Motionsoft, Muscle Up Marketing, National Gym Supply, NFPT, Planet Fitness, Sports & Fitness Insurance, Susan K. Bailey Marketing & Design, TeamQuest4ALS, The Art of Selling Memberships, The STEP Company, Thin&Healthy’s Total Solution, Visual Fitness Planner and World Gym International.** Thank you to our **CLUB INSIDER Advertiser Team!**

### A Note About Subscriptions

Before we move forward with “2016 In Review,” let me mention our **Paid Subscription** options. Some of you reading this are doing so on a *complimentary* basis with a promotional copy of our printed edition. If the words “**PROMOTIONAL COPY**” appear above your address on the front cover, you are *not* reaping the full benefits of a **Paid Subscription** to **CLUB INSIDER**. One thing to think about when considering a subscription investment to **CLUB INSIDER** is that, for just **\$89**, you will receive **one year** of printed and online editions *plus* online access to **all archived editions (276 to date)** of **CLUB INSIDER!** Or, for **\$149**, you will receive **two years** of printed and online editions *plus* online access to every archive edition of **CLUB INSIDER** ever published! Or, you can now take advantage of our **\$10** monthly option. To subscribe today, go to [www.clubinsideronline.com/subscribe](http://www.clubinsideronline.com/subscribe).

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### And Now, 2016 In Review

January 2016

Baptist Health/Milestone Wellness Center - Where You Matter Most - **By: Justin Cates**

### Front Page Article Headlines:

●“Insider Speaks” - When Two Worlds Collide - **By: Thomas Plummer**

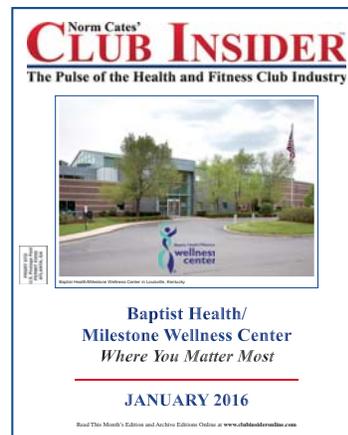
(See “2016 In Review” Page 14)



Todd Magazine



Chuck Richards



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...“2016 In Review”

continued from page 12

**Inside The Insider:**

●ACA Reporting Guidance For 2016 - **By:** Melissa Knowles ●Internet Middlemen and the Fitness Industry - Part I - **By:** Stephen Tharrett and Mark Williamson ●Music Licensing And An ASCAP Scam - **By:** Mike Manning ●Going for the Triple Play... **By:** Karen Woodard-Chavez ●New Year's Resolutions or ALL-IN? - **By:** Jarod Cogswell ●Seven Steps to Becoming a Programming Professional - **By:** Laurie Cingle ●World Gym Starts 2016 With Deals For Over 40 New Gyms ●Fastest-Growing Private Company in Tampa Bay Leads a Health Revolution! ●AFS Makes Huge Strides in 2015 ●And, of Course, **Norm's Notes**

**February 2016**

HealthQuest - Reinvesting in the Future of Fitness - **By:** Justin Cates

**Front Page Article Headlines:**

●IHRSA Announces 2016 Industry Award Recipients

**Inside The Insider:**

●Growing a Successful Gym Requires Consistency in Marketing - **By:** Jim Thomas ●Internet Middlemen and the Fitness Industry - Part II - **By:** Stephen Tharrett and Mark Williamson ●Tips for Success and Being the Best - Make Difficult Conversations Effective Conversations - **By:** Karen Woodard-Chavez ●Is Your Independent Contractor Truly Independent? - **By:** Melissa Knowles ●'Perception is Value' or 'Enough is Enough' - **By:** Angie Pattengale ●How a Death Sentence Saved My Life and Super-Charged My Club! - **By:** Donna Krech ●The Best Uses of the SBA Loan Types - **By:** Paul Bosley ●Programming For The "Fun Of It!" Step 1 of 7 to Becoming a Programming Professional - **By:** Laurie Cingle ●Rick Caro's 20th Annual Financial Panel Set for IHRSA 2016 in Orlando ●And, of Course, **Norm's Notes**

**March 2016**

World Gym Celebrates 40th Anniversary - **By:** Norm Cates

**Front Page Article Headlines:**

●Health Club Industry Serves An All-time High 64 Million Americans

**Inside The Insider:**

●"Insider Speaks" - Transgender Legal Considerations for Health Club Operators - **By:** Paul R. Bedard, Esquire ●Talent: Hire From Outside or Look Within - **By:** Melissa Knowles ●Tips for Success and Being



the Best - Is Your Selling Conversation Complete or Incomplete? - **By:** Karen Woodard-Chavez ●Internet Middlemen and the Fitness Industry - Part III - **By:** Stephen Tharrett and Mark Williamson ●Programming For The "Fun Of It!" - Step 2 of 7 to Becoming a Programming Professional - **By:** Laurie Cingle ●Crunch Franchisees in West Florida and Atlanta Appoint Kevin Laferriere To Chief Operating Officer ●Colorado Athletic Club Opens 8th Location ●David 'Patch' Patchell-Evans Honored With 2016 Canadian Fitness Industry Leadership Award ●Equinox CEO, Harvey Spevak, Supports Entrepreneurship Among UM Ross School of Business MBA Students ●MTVAC Presents Check to INOVA From 10th Annual Swing Pink Charity Event ●Blink Fitness Launches New Marketing Campaign, "Every Body Happy" ●Industry Icon Neal Spruce Ramps Up to Grow Another Impactful Brand With Ptonthenet And PTA Global ●And, of Course, **Norm's Notes**

**April 2016**

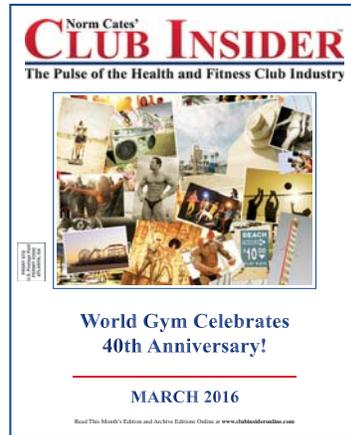
IHRSA's 35 and Counting! The VALUE of IHRSA - **By:** Norm Cates

**Front Page Article Headlines:**

●Newtown Athletic Club and Jim Worthington Raise Over \$200,000 for Augie's Quest - **By:** Justin Cates ●30 Tips for a FUN and PROFITABLE Club Party - **By:** Karen Woodard-Chavez

**Inside The Insider:**

●"Insider Speaks" - The Health Club Industry is a Mess! - **By:** Thomas Plummer ●10 Tax Time Tips for Your Fitness Business - **By:** Melissa Knowles ●ClubReady Acquires GymHQ - **By:** Norm Cates ●How to Best Use Space for a Great Design - **By:** Bruce Carter ●Programming For The "Fun Of It!" - Step 3 of 7 to Becoming a Programming Professional - **By:** Laurie Cingle ●Planet Fitness and Franchisees Pledge \$1.3 Million to Anti-Bullying Initiative ●World Gym to Open 200 Locations in Europe by 2020 ●Motionsoft Hails the



Arrival of Softer Software ●New Jersey Consumer Affairs Announces Actions Against 20 Health Clubs ●iGo Owner Dashboard Launched at IHRSA 2016 ●Sports & Fitness Insurance Celebrating 30 Years Insuring the Fitness Industry ●And, of Course, **Norm's Notes**

**May 2016**

Club Fit - 40+ Years of Health and Fitness Evolution - **By:** Justin Cates

**Inside The Insider:**

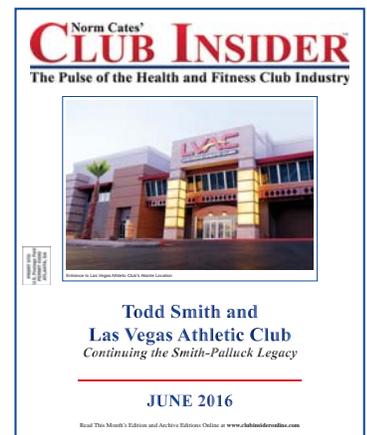
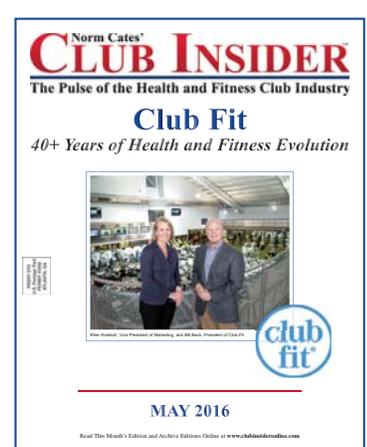
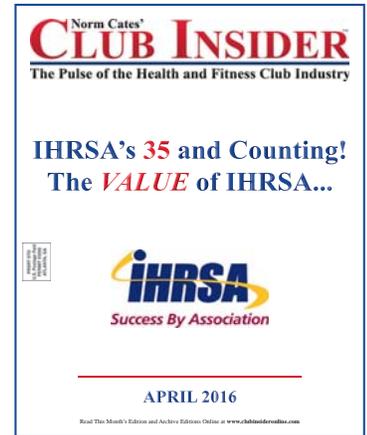
●Six Ways Data Analytics Will Change the Health Club Industry - **By:** Mario Bravomalo and Daron Allen ●Document! Document! Document! - **By:** Melissa Knowles ●A Perfect Financing Combination - **By:** Paul Bosley ●A Simple Approach to Membership Sales Training - **By:** Jim Thomas ●Core Values - What Do They Mean to Your Staff? - **By:** Karen Woodard-Chavez ●Creation Vs. Evolution - The Religion of Programming - **By:** Bill McBride ●Internet Middlemen and the Fitness Industry - Bonus Article: ClassPass - **By:** Stephen Tharrett and Mark Williamson ●Programming For The "Fun Of It!" - Step 4 of 7 to Becoming a Programming Professional - **By:** Laurie Cingle ●A Wellness Device Driving Club's Prospects and Revenue ●National Federation of Personal Trainers Offers Cancer Recovery Specialist Course ●And, of Course, **Norm's Notes**

**June 2016**

Todd Smith and Las Vegas Athletic Club - Continuing the Smith-Palluck Legacy - **By:** Justin Cates

**Inside The Insider:**

●"Insider Speaks" - The Missing Sound Bite in the Presidential Campaign - **By:** Helen Durkin, J.D. ●What Do the New FLSA Exempt Pay Laws Mean for Fitness Business Owners? - **By:** Melissa Knowles ●A Simple Tip for "Selling Out" Your Club Programs - **By:** Karen Woodard-Chavez ●Summer Doesn't Have To Be Slow - **By:** Jon Butts ●Breathe Life Into Your Social



Media - **By:** Nancy Trent ●Wellness Vs. Fitness: Do You "Get" the Difference? - **By:** Casey Conrad ●Racquetball: Alive and Well - **By:** Luke St. Onge ●Programming For The "Fun Of It!" - Step 5 of 7 to Becoming a Programming Professional - **By:** Laurie Cingle ●Motionsoft Selected By Blink Fitness to Provide Club Management Software for Corporate and Franchise Gyms ●And, of Course, **Norm's Notes**

**July 2016**

Dr. Gerry Faust - Doctor of the Grand Problem Solving Event - **By:** Justin Cates

(See "2016 In Review" Page 16)

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... "2016 In Review"

continued from page 12

Front Page Article Headlines:

- Planet Fitness CEO, Chris Rondeau, Named 2016 Ey Entrepreneur of the Year Award Winner In New England Region
- Planet Fitness Ranked One of The Best Franchises In America By *Forbes*

Inside The Insider:

- A Letter From John McCarthy and Response From Justin Cates
- Do You Have a Culture of Sales Accountability in Your Gym? - **By:** Jim Thomas
- Details Matter - **By:** Bill McBride
- Achieving a Gold Medal in Customer Service - **By:** Melissa Knowles
- From One Club to Another: Three Ways to Keep Talent - **By:** Angie Pattengale
- Step 6 of 7 to Becoming a Programming Professional - **By:** Laurie Cingle
- And, of Course, **Norm's Notes**

August 2016

The Science of Club Marketing - With Advice From Club Marketing Pros - **By:** Justin Cates

Front Page Article Headlines:

- Dr. Gerry Faust - Doctor of the Grand Problem Solving Event - Part II - **By:** Justin Cates

Inside The Insider:

- Pokémon Posture - **By:** Dr. Steven Weinger
- Increase Revenue With Data Your Club Already Has - **By:** Daron Allen
- What Do the New FLSA Exempt Pay Laws Mean for Fitness Business Owners? - **By:** Melissa Knowles
- IDEA World Fitness Report - **By:** Beverly Hosford
- The River of Change - **By:** Karen Woodard-Chavez
- Out of the Darkness and Into the Light The Shining Beacon of Market Research - **By:** Stephen Tharrett and Mark Williamson
- Step 7 of 7 to Becoming a Programming Professional - **By:** Laurie Cingle
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Stay Tuned in 2017!

(Justin Cates is the Assistant Publisher of **CLUB INSIDER** and grew up in the health and fitness club industry. Justin was born into a club business family in 1985, and from the age of eight, he spent his non-school and sports hours in a home that doubled as **CLUB INSIDER** Headquarters. He has lived and breathed this industry

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for 31 years, since his own day one. Cates graduated from the Terry College of Business at The University of Georgia in 2007 and then went on to two years at The Art Institute of Atlanta, where he studied Interactive Media Design. Now, he is an integral part of the "Story" of Norm Cates and **CLUB INSIDER**. Justin can be reached by phone at 423-314-4310 or email at [Justin@clubinsideronline.com](mailto:Justin@clubinsideronline.com)



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# Are You A Struggling Gym Owner?

By: Jim Thomas

You're not stuck. There is a better way. But, you'll need to make some changes.

You have the greatest product in the world. I can't think of anyone who wouldn't like to look better, feel better or live longer. And, before you start thinking that new equipment will fix things, or dropping the price to match the new guys around the corner, remember this: if you want to change others, you'll first have to change yourself.

After numerous conversations with gym owners who are struggling, here is where I suggest you start:

**1. Change your think.** Gym owners who struggle all seem to have this in common: they have a small think. The first thing you want to know about thinking big is that it costs you nothing; it's free. If your membership goal for the month is 50, let's change it to 100. This should be fun stuff, so let's keep it fun. Even if you don't reach the big goal, I'd rather have you not reach a big goal than not reach a small one.

Also, it's important to remember that our thoughts create things. Whether it's positive or negative, you'll breathe life into it. Don't find yourself coming up with a problem for every solution.

**2. Raise your action level.** Gym owners who struggle all have a very low action level when it comes to attracting attention and marketing their gym. Think about that big goal you just set. Now, what will it take to reach that big goal? Write out your plan and go to work.

**3. Stop making excuses.** Okay, let's see if I can do this... there are too many gyms in the area, we had to drop our price, we don't have a retention program, marketing doesn't work, it's too hard to keep people, it's not like it used to be, etc. Here's the deal: stop it. Choose instead to be accountable. In the end, the only thing you have true control over is yourself.

It's not that you don't have too many gyms; you don't have differentiation. You don't have to drop your price if the value you provide exceeds the price. It's not difficult to keep people if they are properly trained and held accountable for the material. The simple member retention program is member engagement and member results. I can't tell you how many gyms have members they don't want to call because they fear reminding them they are still paying dues and might want to cancel.

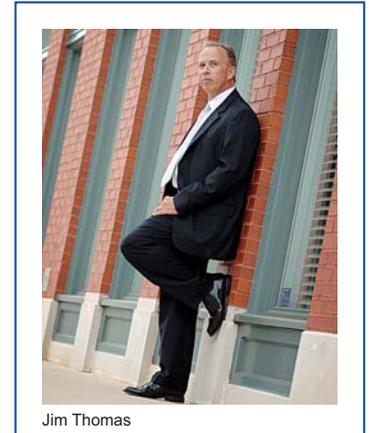
The secret to selling more membership is to talk to lots of people, and the good news is there are lots of people.

**4. Not only get trained in sales, but seek to understand sales.** The gym that struggles will give a feature-based tour and then show membership prices; they are afraid of selling because they don't understand it. In the end, you're not selling memberships, personal training boot camps, classes, etc. At least, you shouldn't be.

Selling is about providing solutions for the customer, selling is about solving problems for the customer and selling is about providing value for the customer. When all of that is done properly, the sale and the subsequent follow up will become much more effective. When value exceeds price, people will buy.

**5. Quit looking for the easy way out.** Okay, I saved the best for last. I spoke to a gym owner recently (and this isn't the only time), and after walking him through what it would take to get his business back on track, he replied, "That seems like a lot of work." Yes, it is. In many cases, owners need to rekindle the passion that originally got them in the business and get back to work. If it has become a job, this can be tough. The message? Rediscover your "Why." In the end, if you must close your business, that will be a lot of work as well.

Now, go end those struggles!



Jim Thomas

*(Jim Thomas is the Founder and President of Fitness Management USA Inc., a management consulting and turnaround firm specializing in the fitness and health club industry. With more than 25 years of experience owning, operating and managing clubs of all sizes, Thomas lectures and delivers seminars and workshops across the country on the practical skills required to successfully build teamwork and market fitness programs and products. Visit his website at [www.fmconsulting.net](http://www.fmconsulting.net) or [www.jimthomsondemand.com](http://www.jimthomsondemand.com).)*

## Wellbridge Bringing New Era in Fitness to Clayton, Missouri

DENVER, CO - Wellbridge Athletic Club & Spa in Clayton, Missouri is embarking upon a spectacular new era in fitness. As the city plans for a \$770 million corporate campus development, Wellbridge Athletic Club & Spa will continue to serve as the neighborhood's heartbeat and do it in style. The existing 35,000 square-foot luxury club will be replaced by a striking 40,000 square-foot athletic club just steps away from its current entrance.

Wellbridge COO, JoAnna Masloski, said she can't wait to begin such an exciting project, "Being able to stay in the center of the community while so much growth is taking place is an incredible opportunity. We intend to create an atmosphere that matches the city's energy and also feels like a home away from home."

When Masloski mentions atmosphere and "feel," she knows what she's talking about, "We have recent experience building an industry-leading club that caters specifically to its surrounding community and what those members want. The timing of this build couldn't be better

for us to incorporate what we've learned and then present Clayton residents with the absolute finest."

The new club will provide a more efficient design and flow that offers the customer better amenities and an even better experience. Proposed plans include:

- Hot yoga studio and anti-gravity wall;
- Expansive functional training space;
- 25-meter pool;
- Energy Café specializing in made-to-order smoothies and juices from all natural ingredients;
- Covered parking;
- Expanded childcare area with additional age-appropriate programming; and
- Concept studio featuring the latest in fitness trends.

There is also a renowned spa that will continue to be open to the public.

"We've been a part of this neighborhood for decades," Masloski added. "It's nice to know that relationship will continue with a brand new club that reflects Clayton's progress and vision."

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# Top 10 Mistakes Gym Owners Make

By: Melissa Knowles

It's that time of year again! Time to look back on 2016, find opportunities for improvement and plan for a bigger, better 2017! We work with many operators who are doing some really exciting things. Some have gotten it *nearly* right from the get-go and others have learned from a few bumps along the way. Getting to be at the helm of the behind-the-scenes team here at Gym HQ as these businesses

grow and prosper is a fun, fulfilling and exciting experience.

In this article, I would like to pass along some of the big no-nos we've seen and areas we've noted many owners have questions. I've included notes on what we've uncovered in businesses throughout the years as examples or steps to take on each item. While space won't allow for a full workup of each topic, hopefully these will give you a few items on which to focus in the coming year. You work hard to drive

revenues at your business; we want to make sure you hang on to them! Here are our *Top 10 Mistakes Gym Owners Make*:

**#1: Lack of Consistent and Accurate Financials:** Timely P&Ls ensure that you're keeping an eye on your margins each month so that adjustments can be made accordingly.

**What we've seen:** With no clear understanding of the business's per-



Melissa Knowles, VP of Gym HQ, a ClubReady Company

formance, it's fairly common for an owner to overestimate performance (revenue) and underestimate liabilities (expenses).

**#2: No Business Report Analysis (Missing KPI Reports):** Without knowing your numbers, business analysis and action planning is impossible.

**What we've seen:** In one instance, after a single month of analysis for one business, we found:

- High instance of client "no-shows."  
**Cost to business:** \$2,100/month.
- Average price per session was too low: \$5 below targeted margin.  
**Cost to business:** \$28,000/month.
- Average trainer rate was too high: \$1 above target margin.  
**Cost to business:** \$3,000/month.

**#3: Paying Staff As 1099 Independent Contractors:** There is no such thing as a "1099 employee."

**What we've seen:** Multiple employees being paid as 1099 Independent Contractors.

It's important to do an analysis of each position from a behavioral, financial and relationship standpoint.

**#4: Employee Misclassification:** Exempt vs. Non-Exempt Status.

**What we've seen:** Multiple employees misclassified and exempt staff being underpaid.

All job descriptions and pay should be reviewed regularly for compliance.

**#5: Lack of Hours Tracking and Overtime Pay:** Coaches, trainers and fitness instructors are an especially touchy area.

(See Melissa Knowles Page 21)

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## ...Melissa Knowles

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**What we've seen:** Trainers being paid by the session and not utilizing a time clock.

**What you should know:** We've been very attentive to the recent case law in our industry. There have been multiple class action law suits concerning trainer pay in the last several months:

- In January, a Federal judge in Illinois denied a group of four former LifeTime Fitness personal trainers' motion for conditional class certification in a lawsuit alleging unpaid minimum wages. That case is currently stayed pending the outcome of private mediation, according to court records.

- In February, Equinox Holdings Inc. settled a class action lawsuit for a maximum of \$4 million brought by former employees who alleged the company failed to pay them fully or provide breaks.

- In March, a class of more than 80 personal trainers seeking a jury trial in Federal court against a Gold's Gym franchisee group over alleged unpaid overtime wages scored a legal victory in the case. The judge ruled that the defendant, Gold's Texas Holdings

Group Inc., cannot use an exemption in the Fair Labor Standards Act (FLSA) to defend itself against allegations of employee misclassification should the case go to trial.

**Suggested Method:**

- Pay hourly and required clock in/out.
- Provisional bonus pay is okay.

**#6: Lack of Written Policies and Procedures:** Does your staff have a playbook?

**What we've seen:** No existing Employee Handbook and incomplete New Hire Packet materials.

**Steps to take:** Think of your Policy and Procedures Manual and/or your Employee Handbook like the playbook for your business. They lay out expectations for team members, explain the business objectives behind those expectations and provide the framework for how to carry them out. Sitting down and committing your business essentials to writing is important for several reasons:

- It causes you to really "think through" how you're carrying out the day-to-day.
- It memorializes when a policy was put in place.

- It gets everyone on the same page, literally.

**#7: Improper or Missing State Registrations and Bonding:** Do you know the rules of engagement for your state?

**What you should know:**

- Each state has different requirements for business registration.
- Some states hold fitness businesses to special requirements under Health Spa Statutes. These states require specific language for membership and service agreements and sometimes require businesses to hold a bond (especially for presale).
- The application of sales tax to products, memberships, and services varies by state.

**#8: Missing Procedures For Customer Service:** Issues are inevitable.

**What we've seen:**

- Open permissions allowing staff members to cancel agreements and invoices. *In one example, we found an auto-renewal percentage at 6% vs. targeted 20% for the sales model due to sales people cancelling drafts and creating new agreements. The result was \$13,000 in draft impact and overpayment of commissions.*

- Not adhering to cancellation procedures outlined in member agreement.

**#9: Failure To Track, Analyze and Act Upon Customer Issues:** Where? When? Why? What's the fix?

**Steps to take:**

- Customer service volume through all channels should be measured and root causes for complaints tracked: Reason for complaint (staff, facility, contract) and staff involved.

- Cancellations are categorized by type.
- Data is analyzed on a regular basis (calibration calls) and action plans deployed.

**#10: Forgetting About Past Due Members:** Getting members up-to-date is vital for a healthy draft.

**What we've seen:**

- Lack of system or schedule for follow-up.
- No process for mandating contact information capture at POS.

(Melissa Knowles is Vice President of GymHQ, a Division of Club Ready, and she can be reached at [mknowles@clubready.com](mailto:mknowles@clubready.com))

# Team Member Motivation and Retention

By: Dr. Gerry Faust

There is no doubt that a key asset of any club is its people. Besides the specific service they provide, the people are a major factor in determining the club's atmosphere, its energy, its feeling of connection and belonging. But, how do we get the most out of those people? What causes our people to come to work every day with a sense of ownership, driven to give that great service and to do what it takes to help produce great results for both the members and the club?

Interestingly these are questions researchers have been studying for years. And, although there are many answers to these questions, there is one best answer. **To motivate your people to give their best each day, give them meaningful work to do.** Of all things that drive employee motivation, satisfaction, dedication and retention, meaningful work is the most important.

To many, the term meaningful work brings up thoughts of working to save the world, feed the hungry or build houses for the poor. These things do create work that is very rewarding. It has great

meaning. But, although these things can be part of an organization's commitment, they do not really bring meaning to the everyday work that most organizations do. Luckily, in the club industry, many of our people are doing meaningful work in these terms as they help people get fit, live longer, look better and get more out of the lives they lead.

Still, we have many team members whose jobs do not directly create these results, and sometimes, even the work that does have meaning in this sense is repetitive, hard and becomes just "work" to those who must do it day in and day out.

Surprisingly, meaningful work, work that is motivating in itself, that increases a person's commitment and energy and willingness to work hard can be provided by any business, any organization and for any job.

What we are talking about is work that is meaningful in that it fulfills basic psychological needs of people, work that is built upon what we have learned about the study of motivation. This kind of meaningful work does not so much depend on the type of work people do, it depends on how the work is structured and how people are managed.

So, with this understanding of what I am calling meaningful work, here is how you can create it.

Meaningful work starts with **clear goals**. People want to know what "done" will look like and what great results look like. Good goals require stretch. They must be demanding but reachable with solid performance. If goals are a slam dunk, there is limited satisfaction in reaching them. If they are only 80 - 85% probable, they are much more meaningful when reached.

We often think of goals in terms of numbers. The numbers, the key indicators of success, are important. But, goals can have many definitions. When the job description not only defines desired results but becomes an ongoing dialogue between two people trying to define the difference between just good performance and truly great performance, then you are setting a bar one can take great pride in clearing.

Meaningful work involves **freedom**. Freedom to choose how resources will be employed and the work will be done. Freedom to exercise judgment, solve problems and employ skills and talent. Without this freedom, success is less sweet, great results are not your fault and the thrill of victory is less thrilling.

Meaningful work also requires **accountability**. When you are held accountable, it proves the results are important and someone else cares about the achievement of them. Accountability is all about one person holding another accountable for a mutually agreed assignment. It is also all about an agreed goal, a shared victory. People like to know someone is watching, someone agrees with my goals, someone will keep me on track and maybe even give me some advice if I need it.

But, accountability only really works when people are recognized for their contribution, their success and their effort. **Recognition** is also key to meaningful work. When Ken Blanchard said we ought to spend more time catching people doing things right, he was recognizing the power of recognition. The higher up in the organization you are, the more respected you are and the more powerful your simple words, "great job," can be to members of the team. Recognition is best if it's immediate, personal and public. It doesn't need to be all three at once, but each of these characteristics adds value to the recognition. The leader who goes out of his way to stop by the spa and say, "I hear you've been doing a great job, your work on the pricing project today was fabulous and your results this month are superb. I just wanted to tell you how much I appreciate what you're doing," understands immediate and personal.



Dr. Gerry Faust

And, the club that honors this quarter's heroes at a meeting and with a picture on the wall understands the power of public recognition. Put them together, and you've got the whole package.

Meaningful work is not static or confining; it is dynamic and produces **personal growth**. Most people want a challenge so they can have meaningful success and so they can grow, learn new skills and develop their talents and understanding. They want work that provides an opportunity to learn and a chance to grow personally and professionally.

Lastly, there is a final piece of the puzzle of meaningful work. It requires proper placement, management flexibility and that leaders truly understand their people. It involves **putting people in positions where the work itself is consistent with what they enjoy**, where their particular skills are best employed and where who they are (what they are passionate about) can be fulfilled.

Some team members are "people" people, some like big challenges, some like numbers, some are born to teach, to lead, etc. Leaders truly know "who their people are" and what motivates them, and they try to create opportunities for their people to shine and thrive. It starts with matching people's personalities and skills to their job, but even more, it has to do with creating opportunities within the job or on a special project. Problem solving teams, bringing people from different parts of the organization together to tackle important issues or figuring out how to improve important results offers a great opportunity to help people grow and for leaders to identify previously hidden skills and passions. Wise leaders are always looking for opportunities to change up the day-to-day, give people a chance to stretch themselves and a chance to find out more about the real talents and passions that can drive their people and the organization.

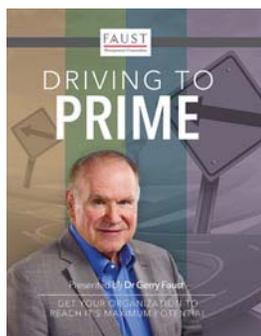
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*...Dr. Gerry Faust*  
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The thing that we have learned and relearned over the years is that, if you want long-term persistent motivation, commitment and retention of your people, you must work to provide motivators such as achievement, recognition and opportunities for growth as part of their work. Motivators cause team members to look for ways to do better, to go the extra mile, to follow through to the desired end result and to work to solve problems that keep them from their goals.

Similarly, we continue to learn that providing what Frederick Herzberg called "movers," such as reward (including financial incentives) and punishment, may have short-term impact on feelings and behavior. In the workplace, they do not create long-term behavioral change, including commitment, sense of ownership or even long-term performance improvement. And, the all-important insight is that managers have control over most of the motivators. They can impact the motivation value of work by how they construct and assign jobs, delegate or empower team members, set goals, measure performance and provide feedback, reinforcement and recognition.

More importantly, all of these things can be changed. If they are not set up correctly or being implemented correctly now, managers can change them. Using the above as a checklist for a manager, or the basis of a questionnaire for team members, you can check whether your club is doing what is needed to create team member motivation and retention and use the results of your review to make changes that will help you keep and get the most out of your most valuable asset.

*Herzberg, Frederick. "One More Time: How Do You Motivate Employees," Harvard Business Review 1968 (and September-October 1987)*

*Faust, Gerald, Lyles, Richard, Phillips, Will. "Responsible Managers Get Results," Amacom 1999*

*(Dr. Gerry Faust has been helping club owners and managers create quality results for over 30 years. He is the author of Responsible Managers Get Results and a new 4-DVD series entitled Driving to Prime. To learn more about Gerry, his services and his programs, visit www.Faustmanagement.com)*

# How To Design The Perfect Club Entry

By: Bruce Carter

Imagine someone new walking into a club, and the moment he steps through the door, he is surprised. This is not what he expected. He feels comfortable but excited. **This place could be the answer to his dream of improving his life with regular physical activity.** This should be the goal for designing a health club entry.

However, before deciding how to design the perfect entry, it is important to review a few key facts:

First, people “buy” an experience, and what they see accounts for so much of what they “experience.”

Second, it is important to understand who is coming into a club. There are typically two general types of people entering clubs, whether they are a member or a guest looking at the possibility of becoming a member.

The first type, about 20%, feels good about how they look and usually likes exercise. The second type, about 80%, often feels uncomfortable with how they look (especially in exercise clothing) and don't like exercise, although they agree on the potential value of exercise in their life.

So, designing the best club entry needs to address what people are thinking, feeling and seeing the moment they walk through the door and how that will affect how they feel about themselves, exercise and the club.

If these aspects are proactively taken into consideration when designing a club entry, then the chances of keeping a member and getting more new members will definitely increase.

Now, think of the concepts of welcoming, non-intimidating, exciting and “OMG.” Can an entry be all of these but “without breaking the bank?” The answer is “yes;” it just takes some thought and detailed planning. The following are some takeaways.

## Key Points to Consider

Whether you are dealing with a new club design, or a renovation of an existing club, ask the question, “What will people be looking at when they enter?” Obviously, a reception desk of some type, possibly a lobby or seating area, maybe some offices and most likely exercise areas. So, one of the first things to think about are sight lines to minimize any intimidating view or experience.

One of the key points that research has shown is that people are easily intimidated in a gym, and if there is exercise very close to the entry, people right away may think they will have to use that same equipment and “be on display,” and therefore, feel uncomfortable about the

gym even though they have just entered.

In general, equipment can often be seen from the lobby, but it should be far enough away or have some type of minimizing sight lines, such as plants or partial walls. The old thinking that seeing a lot of equipment right away will “blow people away” may have a far different effect on many people entering a club.

Something else that should not be easily seen from the entry are sales desks. Once again, this is intimidating, and although some operators may think it is good to have sales right by the reception desk, this is more for the club's convenience and function, not a potential member's comfort level.

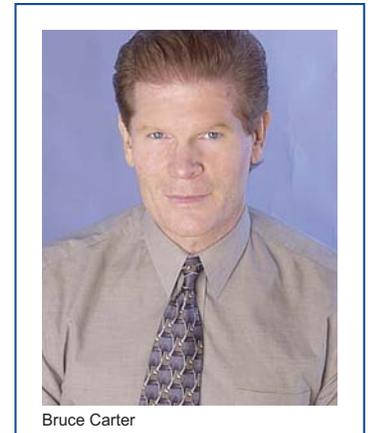
The next key points are cleanliness and clutter. No matter what your entry looks like, having it dirty and cluttered will do more to lower sales and retention than just about anything. This may seem like an obvious point. But, an owner seeing a club daily after a while can actually “no longer see” the obvious wear and tear and clutter. Having multiple signs and items throughout the entry area and on top of the desk is distracting and unwelcoming as well.

Now, let's review the all-important esthetics of the first impression experience. An entry area should be exciting, creating very positive emotions with people coming and going from a club, and this can be accomplished with almost any budget.

First, look at finishes, which includes flooring, reception desk sides and top and walls. Floors stand out with stained concrete, ceramic tile or luxury vinyl tile (LVT). The choices are wide, but consider a clean look or possibly a wood look (real wood is not recommended for it does not wear well, but the other options look like real wood). Next, the decorative options for a reception desk are significant with laminate, Plexiglas, tile and stone choices for the sides. For desk tops, granite and solid surface materials are great for image, yet extensive choices are available with less expensive laminates. Avoid using a “busy” top, such as a lot of colors and shapes with “busy” sides, and go for a cleaner look.

Walls can be painted, and there are also wonderful heavy duty vinyl wall covering options. Other dynamic products include wavy walls, and for durability, consider FRP board with special laminate color options for a high-end yet durable and cost effective result.

Lighting is as important as any aspect of an entry, yet it is the most often ignored as a valuable aesthetics asset. Lobby lighting should be distinct and different from lighting elsewhere in the club, which should be different and have its own dramatic statement. Consider drum lights, pendant lights, wall sconces and cove lighting. Cove lighting under the top of the reception desk shining down on the sides is an inexpensive yet exciting



Bruce Carter

aspect to an entry. An overly bright entry is not recommended.

Architectural features such as ceiling heights and accents, added wall structures, curved walls, soffits above the desk and water features in the lobby can add to a substantial WOW factor.

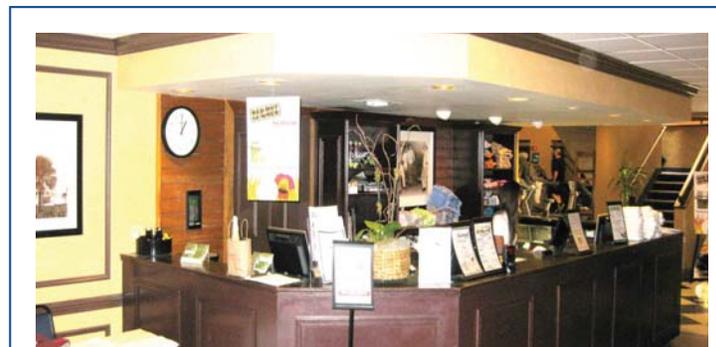
Large graphics, maybe the size of an entire side wall can inexpensively add attention-getting excitement. However, stay away from the token gesture approach of basic pictures of people exercising in a gym, for all someone has to do is look into the club to see the same thing. Abstract images or nature-oriented scenes (they can even be black and white depending on the design theme) with people being active is always a good option, and countless graphic options are available online.

Colors can vary greatly and depend on the club's overall décor theme. A monochromatic environment can be effective, or a variety of colors can also achieve desired results. The key is to coordinate everything so nothing looks improperly out of place.

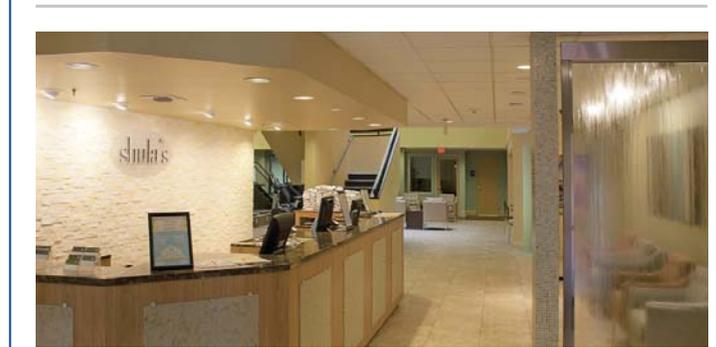
Furniture in entry areas is often an afterthought with basic pieces being selected. Consider comfort chairs where you can select the upholstery for more exciting options. The cost is a little more, but it's well worth it. Also, stay away from fabric and use only leather or vinyl, because people sweating and sitting on fabric will eventually result in stains that cannot be removed.

The majority think exercise is a great idea, yet it is actually loved by a much smaller percentage. Loving your club the moment someone walks through the door is the goal. This helps significantly in getting people to want to become a member and then keeping them coming back for more and more.

*(Bruce Carter is the President of Weston, Florida - based Optimal Design Systems International, Inc. and he can be reached at [bruce@optimaldsi.com](mailto:bruce@optimaldsi.com))*



Shula's Athletic Club Lobby - Before



Shula's Athletic Club Lobby - After

# Do You Have Enough Salespeople to Succeed?

**By:** Karen Woodard-Chavez

$\$3,000 \times 12 = \$36,000$

Over the years of owning and operating clubs and the following years having the privilege to consult with clubs and other businesses outside of the health and fitness industry, I have had the opportunity to see many models for sales success and sales failure. One of the simplest elements that is often absent is knowing how many salespeople to have to be able to hit the numbers you need. I see this largely in this industry compared to some of the other industries in which I provide consulting services.

No, *more* is not always better, and on the other end of the spectrum, why on earth would you choose NOT to have dedicated full-time sales staff when you have invested millions of dollars into your business? I know, I know; your club is "so beautiful and so unique that it will sell itself." If you are a high-volume, low-price (HV/LP) operator, this *may* be a strategy for you. If you are any model outside of HV/LP, I don't advise the "no sales staff" approach.

Here are a few reasons why you should consider investing in a dedicated full-time sales staff with the right number of salespeople to be successful:

If you knew how much a good salesperson is worth to your business, you would think differently about hiring and training the right number of sales people. Consider the following illustration that outlines a membership salesperson who sells 35 memberships per month with each member paying for 12 months and that salesperson does that production for every month of the year. There are three different dues price points, three different joining fee price points and three different scenarios for how much non-dues revenue (NDR) this salesperson would sell each month. The fourth box that says "Total" adds all revenue up and gives you a range of what this sales person is worth to your business based on the dues point, joining fee and NDR:

## What is This Position Worth to your Business?

### Dues:

$35 \times \$55 \times 12 \times 12 = \$277,200^*$

$35 \times \$75 \times 12 \times 12 = \$378,000^*$

$35 \times \$100 \times 12 \times 12 = \$504,000^*$

### Joining Fee (JF):

$35 \times \$50 \times 12 = \$21,000$

$35 \times \$75 \times 12 = \$31,500$

$35 \times \$100 \times 12 = \$42,000$

### Non-Dues Revenue (NDR):

$\$1,000 \times 12 = \$12,000$

$\$2,000 \times 12 = \$24,000$

### Total:

#### Dues + JF + NDR

Low End = **\$334,200\***

High End = **\$582,000\***

#### For One Sales Person...

Sooooooooo, does it make sense to have a team of well-trained, well-managed staff doing this for *your* business? I utilized the 35 memberships as an example because the *average* salesperson in \$55 - \$100 per month dues club sells 35 memberships per month.

If your goal is to sell 100 memberships per month, then you would need three salespeople. If your goal is to sell 150 memberships per month, then you would need 4+ sales people. If your goal is to sell 100 per month, and you have two full-time salespeople, you may not be hitting your goals during all months.

My recommendation is for you to have full-time, dedicated sales staff. What that means is that they work 40 hours per week on solely getting and keeping members. They are not part-time in the membership department and then part-time in the reception department to get to full-time. They are dedicated solely to the function of the membership department. I do not advocate for part-time salespeople because it will not be a good investment for the club. They will essentially cover shifts but not perform the full function as described below:

### Performance Expectations of Membership Staff:

**Primary Purpose:** To create and deepen relationships with members whom we know and do not yet know who will add value to their membership and enhance their sense of belonging and community within the club.

**Secondary Purpose:** To contribute and generate revenue to the club through honest and enthusiastic membership sales and service and to participate in advertising and promotions.

**Reports to:** Sales Director

### Game Plan:

1. To provide effective membership tours to prospective members and guests, determining their needs and wants, then matching those needs and wants with club membership.

2. Follow up with those who don't join

today within 24 hours by phone, text and email/written correspondence.

3. When not touring, generate new sales leads through prospecting: two new corporate accounts per month, continue to work current leads, member referrals, old leads, community outreach, etc. Expected to make a minimum of 75 phone calls per day and have a minimum of five appointments per day.

4. Make approximately 20 calls per day and 10 contacts per day to current members to stay in touch with them, invite them to club functions and apprise them of relevant club programs. Additionally, create and host monthly events for members that address their needs. Expected to have an attendance of 10 - 15 members at these events.

5. Listen to and read relevant sales materials as well as attend and participate in weekly sales meetings to enhance performance.

6. Meet and exceed established goals monthly to maintain employment. Goals are both in membership and non-dues programs. If goals in any three months through a 12-month period are missed, termination may occur, or at minimum, the salesperson may be taken off the up system.

7. Complete all membership paperwork accurately and promptly submit for processing.

8. Complete membership sales reports accurately and submit on a weekly basis. Expected to utilize sales reports to accurately manage the club business by the numbers.

9. Work as a team member on the management staff to provide a high level of service to members, inspiration and leadership to staff and assistance in directing the flow of the club for smooth and profitable operation.

10. While on duty, interact with the members and staff, providing an experience for them that is more than just a membership or a job. Require *RBBWA*, also known as "Relationship Building By Walking Around" twice per day for 15 minutes each time.

11. Attend all member mixers and monthly social functions.

12. Participate and assist in the planning and implementation of all promotions.

13. Schedule to equal minimum of 40 hours per week and always work the last



Karen Woodard-Chavez

two days of each month.

There is no way a part-time sales person would be able to do the above job completely; therefore, it would not be wise for the club to hire a part-time person.

If you run your business by the numbers, then why would you leave your revenue up to luck, hope and a prayer that people will come and join? The purpose of a sales team is to *get and keep business*. To get new business by prospecting and creating leads to be interested in your facility. To systematically create referral business. To keep business by intentionally and purposefully creating relationships with members so they feel a part of something at your club and want to stay. If you want to grow your revenues and your retention, it is a very deliberate, intentional focus. If you do not focus on what you want to happen, typically, NOTHING happens.

Look outside of your club business and see what other businesses are doing. Consider pharmaceutical sales as an example. Do you think pharmaceutical companies make money by simply making their drugs available and that doctors flock to them to buy them? NO. The pharma industry invests heavily in selecting and training sales staff to get and keep business because they know they will make more money faster by having staff who are dedicated to the function of growing the business. They are in the field selling full-time.

*(Karen is President of Premium Performance Training in Boulder, Colorado and Ixtapa, Mexico. She has owned and operated clubs since 1985 and now consults with and trains staff throughout the world. She provides her services on-site, online, by phone and through her books, CDs, DVDs and manuals. She can be contacted at 303-417-0653 or karen@karenwoodard.com)*



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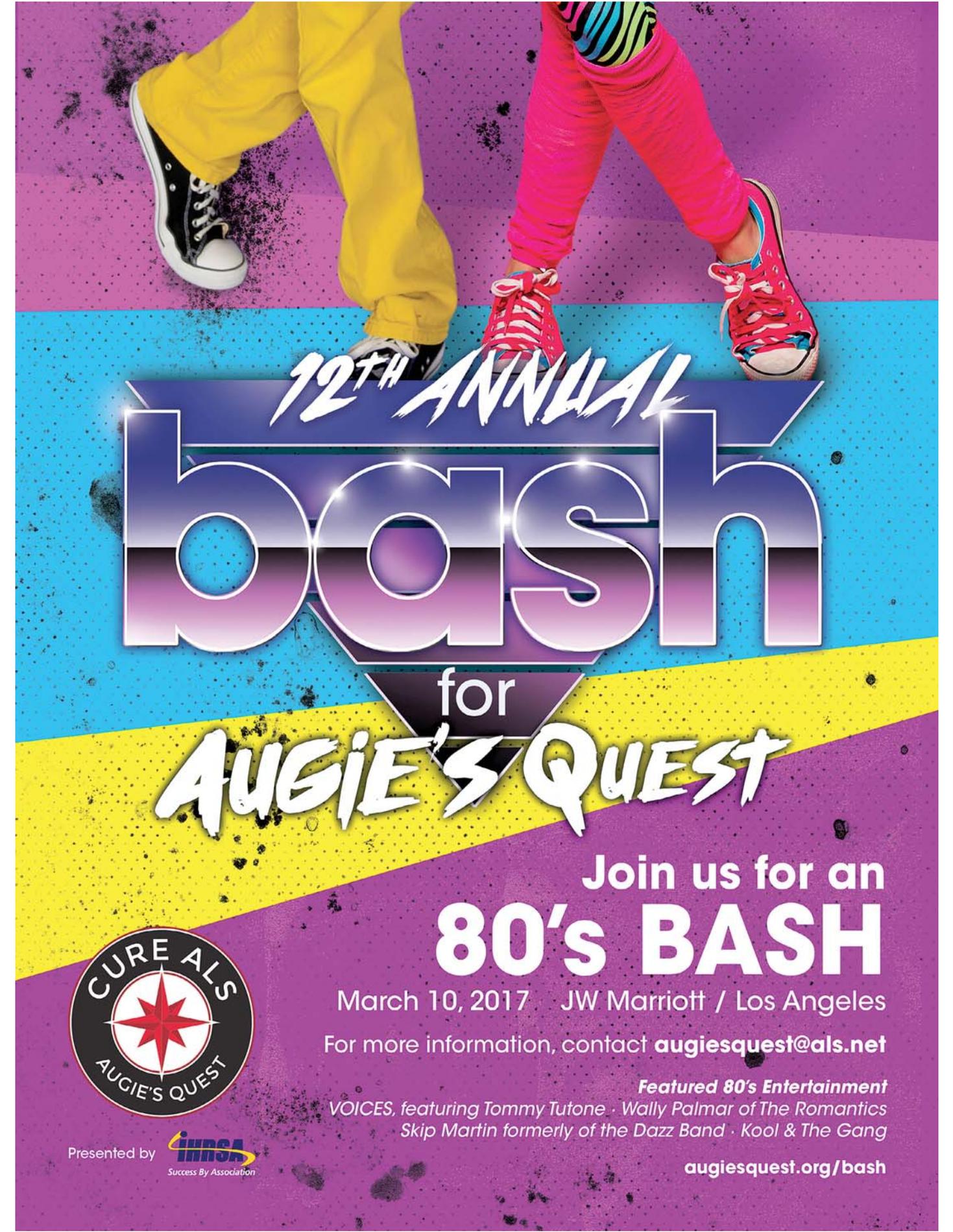
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# Delivering On Your Brand Promise

By: Rob Rush

In every industry today, businesses and consumers are bombarded with an overwhelming choice of products and services. A distinctive and well-executed brand promise can cut through the clutter and drive intense customer loyalty and increased revenue. In short, a brand promise has the potential to make or break a brand.

## Why is your brand promise so important?

While a brand promise may seem hard to define, it can directly affect your company's bottom line, positively or negatively. It can translate into lower cost of sales, because selling more products and services to loyal, emotionally connected customers is less expensive than winning over new customers. Furthermore, when your company consistently delivers on its brand promise, it reinforces the organization's reputation and builds brand equity, a store of goodwill that can help you weather situations when the customer

experience may be compromised.

Delivering on brand promise is directly tied to overall brand strength, and there's plenty of evidence that a strong brand affects financial performance. In 2014, the Top 100 global brands were valued at \$2.9 trillion (1). In addition, the share prices of the Top 100 global brands outperformed the S&P 500 by over 30% from April 2006 to April 2014 (2).

On the other hand, when a company fails to stand behind its brand promise, the opposite can happen. Look no further than product recalls or negative social media attention to see how not delivering on a brand promise can adversely impact a company, both in terms of reputation and market value. With such a hefty premium placed on brand and reputation, it's more important than ever to be on the alert for situations that can damage or sabotage them.

## Getting Behind Your Brand Promise

Leaders who truly understand, embrace and are committed to executing

their organization's brand promise are often better able to anticipate and respond to brand risks. They know that reacting swiftly and thoroughly to problems as they arise can help mitigate any hits their brand may endure. They also understand the value of putting processes in place to ensure their brand promise is upheld, and any budding problems can be identified and handled well in advance.

There are three important areas to consider when executing on your brand promise:

**Measure** - Conduct customer and employee surveys to determine how well your brand promise resonates with both customers and employees. When presented with your brand promise, do customers consider it appealing, unique, and believable? Based on their recent experiences, do they feel you're doing a good job of delivering on your promise? Do your employees understand the brand promise? Are they committed to fulfilling it? And, just as important, do they believe senior leadership shares this commitment?



Rob Rush

How engaged are they? This data can help you decide what adjustments will make it easier to deliver on your brand promise.

Measurement can also show the link between the execution of your brand promise and financial returns. Yet, surprisingly few companies effectively track these metrics. For example, a recent (See **Rob Rush** Page 30)

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# PR Strategies to Sell Summer Bodies This Winter

By: Nancy Trent

Chilly weather is the perfect time to heat up revenue. Most of the nation experiences a cold snap just around the holidays. It's the right season to hook new customers and keep existing customers focused on preventing winter bulge.

Everyone gets busy around the holidays, so you have to spin your workouts to meet them where they live and work. Here are a few creative ideas to keep fitness on top of customers' minds:

## Eat more, burn more...

Find local restaurants, healthy food delivery services, nutritionists and eating coaches to partner with on offering seasonal incentives for regular customers. Many local newspapers and magazines have segments that run "Deals and Steals" sections to help spread the word about co-promotions. Research the media outlets in your area and contact the editors to see if they will run your promotion for their readers.

## Winter workouts for spring break fun...

Students have more free time. Get in touch with local schools to offer short-term memberships to anyone with a student ID during holiday and winter breaks to stay

or get in shape over the holidays. Again, work with relevant partners and retailers that sell work-out clothes, restaurants, retail stores, companies that focus on healthy foods, etc. Use school, church or synagogue bulletins, newspapers and social media platforms to reach more students. Incentivize them with cash rewards and freebies to announce their memberships on social media. These students will act as a very vocal and influential army of ambassadors for you.

## Work out tours...

Invite people to warm up with a workout "on the house" if they come in for a tour. Free tours give people a reason to come and an opportunity for you to wow them. Let your local civic associations know about the opportunity to try something new.

## Fit to say I do...

June kicks off summer wedding season. In many cities, venues must be booked a year in advance. Dresses are ordered six months before the big day. That means you can start selling 6-month bridal packages for the summer wedding season. Find neighboring bridal shops and travel companies selling honeymoon packages so they can promote it to their

customers. You can create flyers for the store and use e-blasts or social media posts to spread the word.

## Winter wellness weeks...

Everyone is afraid of getting winter colds and flus. This is an opportunity to urge people to use fitness to help avoid getting sick. Invite a doctor, nutritionist or dietician in for a workshop to explain how your members may protect their immune systems by protecting their body through exercise. Invite your members and potential members through bulletins, newsletters, e-blasts and P.A. announcements in your club in advance of the presentations.

## Reach out and market to the 60-set...

Create traffic in your facility during the day with seniors who have flexible schedules and are looking for ways to meet new people while exercising indoors. There are local programs and centers for seniors that organize day time activities and outings, so contact them to invite their clients for low impact and other daytime classes at your club.

All of these promotions can be supported with press coverage and social media banter.



Nancy Trent

(Nancy Trent, *The Trend Spotter*, is a writer and speaker, a lifelong health advocate, a globe-trotting trend watcher and the Founder and President of Trent & Company, a New York-based marketing communications firm. A former journalist for New York magazine, Nancy has written seven books on healthy lifestyles, serves on the editorial boards of several magazines and travels around the world speaking at conferences and trade shows on trends in the marketplace. Nancy can be reached at (212) 966 - 0024 or through email at [nancy@trentandcompany.com](mailto:nancy@trentandcompany.com). You can also visit [www.trentandcompany.com](http://www.trentandcompany.com).)

## ...ACE

continued from page 88

increase physical activity among youth were included in the report:

- Schools should increase physical activity opportunities for students and should be a key part of a national strategy to increase physical activity.
- Preschool and childcare centers should enhance their physical activity programs and practices.
- Research gaps on how to advance efforts for increased youth physical activity need to be addressed and modified.
- Changes involving the built environment (such as safe outdoor and indoor recreation spaces) and similar sectors are promising but need additional work.

ACE's commitment to youth fitness is deeply integrated within the organization, including these initiatives that can help address the recommendations of the National Physical Activity

## Plan Alliance:

- *Youth Fitness Specialist Program*: ACE offers a Youth Fitness Specialist Program to help parents, youth sports coaches and other professionals in fitness, health care, recreation or education gain the knowledge and skills they need to create customized and organized fitness programs for children and teens.
- *Operation FitKids*: A free physical activity curriculum for children in grades 3 through 8 was designed to help educators integrate health and fitness into classroom learning.
- *ACEFit Youth Fitness Resources*: This library of healthy living articles is designed to empower parents, schools, health and fitness professionals, community leaders and the kids themselves incorporate physical activity and good nutrition into everyday life.
- *Youth Fitness Research*: As part of our mission to protect the public and keep our health and fitness professionals informed on the latest science, ACE regularly

commissions independent research from universities and trusted partners nationwide on a range of topics, including youth fitness.

- *Ash Hayes Scholarship*: This scholarship for the materials needed to become an ACE-certified personal trainer is awarded to applicants who demonstrated a clear commitment to providing physical activity opportunities and health education to children and teenagers in schools, healthcare, recreation or community programs, fitness or a similar setting.

The 2016 *United States Report Card on Physical Activity for Children and Youth* was released in conjunction with 37 other countries at the 2016 International

Congress on Physical Activity and Public Health in Bangkok, Thailand. This is the second comprehensive assessment of physical activity in U.S. children and youth, updating the first Report Card released in 2014. The Report Card can be downloaded from the National Physical Activity Plan Alliance website ([bit.ly/clubinsider25](http://bit.ly/clubinsider25)). Further information about the international release of the Report Card can be obtained from the Active Healthy Kids Global Alliance website ([www.activehealthykids.org](http://www.activehealthykids.org)). The Report Card is produced by the National Physical Activity Plan Alliance's (NPAP) U.S. Report Card Research Advisory Committee. Find more information about the Plan at [www.physicalactivityplan.org](http://www.physicalactivityplan.org).

# Make It Fun!

## ...Rob Rush

continued from page 28

poll revealed that only 26% of organizations measured the financial impact of customer experiences (3).

**Monitor** - Keep regular tabs on how well you deliver on your brand promise and create standards that operationalize it. Measure performance on those standards through regularly scheduled evaluations. For example, say Company X has made customer responsiveness a part of its brand promise. To support this promise, it has created a policy that every written customer inquiry must be answered within 48 hours and every phone call must be answered in less than five minutes. Careful recordkeeping and logging of inquiries and complaints would verify that these standards were met.

Monitoring and establishing early detection and effective risk management helps organizations turn potential brand threats into opportunities for delivering on their brand promise and further strengthening their brand. Without consistent monitoring, the brand promise

can become obsolete. It's easy to establish policies, but it takes time and commitment to implement and see them through on a daily basis.

**Train and Engage** - Finally, make sure your employees embody your brand promise and understand how to effectively execute on it. Inconsistency between internal and external branding messages can weaken organizational culture, confuse employees and negatively impact customer experience. Ongoing training is important, especially for those who have direct contact with customers.

But, merely training employees isn't enough. For them to deliver on your brand promise, they need to feel as if they're part of something important. Including employees in decisions, asking for ideas on how to improve initiatives and answering the "what's in it for me" question in a compelling manner are all critical to enlisting the support of employees.

Front-line employees can also serve as your eyes and ears in evaluating the customer experience and front-line processes. Create mechanisms for them to weigh in and provide feedback on how

customers are responding to your brand.

### Turning Insights Into Action

Continuous measurement and monitoring can yield important insights about how your brand promise is resonating in the marketplace and how you can improve its impact. But, unless you leverage those insights and turn them into an ongoing and sustainable plan of action, they won't get you very far.

Companies with a consistently strong and differentiated brand promise work hard to keep it that way. They don't simply stay abreast of customer sentiment. They monitor and gather real-time feedback from the marketplace. And, they use it to create action plans to consistently improve the execution of their brand promise and protect it from harm.

(1) "BrandZ: Top 100 most valuable global

brands 2016," Millward Brown;

(2) *Ibid*;

(3) Poll conducted during the November 19, 2015, Deloitte Dbriefs webcast, "Leaders and laggards: Creating shareholder value through customer experience measurement and brand protection risk management," Deloitte Development LLC.

(Rob Rush is a Deloitte Advisory Managing Director, Deloitte & Touche LLP, and Managing Director of LRA by Deloitte. With more than 30 years of experience, Rob is a pioneer in the Customer Experience Measurement arena and helps shape strategy, awareness and process, and implements innovative services for clients in diverse industries. Rob is a contributor to a variety of trade magazines and actively participates in industry associations. Rob can be reached at 215-449-0301 or by email at [robush@deloitte.com](mailto:robush@deloitte.com).)

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## Thanks and Appreciation

At CLUB INSIDER, we are excited to begin our 24th Year of this home-based health and fitness club trade newspaper! The thought that this newspaper was *founded to serve an industry I truly love*, and so that *I could become a Mister Mom for my son, Justin*, is still *intriguing and amazing* to us. I wish to extend our most sincere **Thanks and Appreciation** to everyone that's made this amazing 24-year run possible.

A very sincere **Thanks and Appreciation** go to **Rick Caro, Dr. Gerry Faust** and the **Faust Executive Roundtable #1** for helping me decide in 1993 what my home-based business would be. **Thanks and Appreciation** to my long-time friends, **Ron Hudspeth** and **Cathy Miller** of Atlanta's **Hudspeth Report** for the tremendous assistance they provided us during *our first eight years of publication*. **Thanks and Appreciation** to all of the folks at **Walton Press** in Monroe, Georgia. They've done an absolutely excellent job for us all these years and have printed every one of our 276 monthly editions! **Thanks and Appreciation** to all of our **READERS**. Sincere **Thanks and Appreciation** to our **CLUB INSIDER Advertisers**, past and present, for their kind and dedicated support of this publication. It's amazing to know that we have several advertisers with over 15 years of continuous advertising with us. Plus, we have one advertiser, **National Gym Supply**, with over 23 years advertising with us! We also want to say sincere **Thanks and Appreciation** to all of our **CLUB INSIDER Contributing Authors**, past and present, who've contributed *hundreds and hundreds* of excellent articles to help our readers with their Best Business Practices. **Thanks and Appreciation** to **IHRSA** for all it does.

Sincere **Thanks and Appreciation** to my son, Justin, who started working part-time for **CLUB INSIDER** when he was just 8 years old (helping with mailings). This young man, pretty much behind the scenes for 24 years now, has truly been a fantastic partner for his Dad in **CLUB INSIDER**. Justin does our editing, publication layouts, all of our website design and maintenance, all of our bookkeeping and subscription processing work, as well as archive management and anything else that needs doing, including writing eight cover stories per year.

Last, but surely not least, this writer who refused to fear failure when many told him he didn't have a chance of surviving the publishing business for even a year did survive. He would like to give sincere **Thanks and Appreciation** to the power that made that survival happen: **God**.

Very sincerely, with love in my heart for you all,

*Norm Cates, Jr.*

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